



PRESS RELEASE

House Armed Services Committee

Floyd D. Spence, Chairman

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GAO REPORT RAISES QUESTIONS ABOUT USAGE OF COOPERATIVE THREAT REDUCTION FUNDS

A General Accounting Office (GAO) report released today on the Cooperative Threat Reduction (CTR, also known as “Nunn-Lugar”) program raises significant questions about the Department of Defense’s ability to ensure that CTR funds are used as intended in Russia and other former Soviet states, according to House Armed Services Committee Chairman Floyd Spence.

The CTR program was established to reduce the threat to the United States posed by the former Soviet Union’s arsenal of weapons of mass destruction. The scope and direction of the program is a subject of annual debate, and many in Congress have expressed concerns that CTR assistance may be diverted to other uses, such as rebuilding the Russian military. In an effort to address such concerns, Congress requires the Department of Defense to report annually on how CTR assistance is being used.

According to GAO (GAO/NSIAD-00-40, “Cooperative Threat Reduction: DOD’s 1997-1998 Reports on Accounting for Assistance Were Late and Incomplete”), information provided to Congress in the 1997 and 1998 reports was both “incomplete and inaccurate.” Not only did DOD fail to report on significant amounts of assistance, but the Department used “unsupportable or overstated estimates” of the amount of assistance audited and failed to provide sufficient information on how other U.S. government agencies used CTR funds. Consequently, GAO concluded that DOD “cannot fully support its determination that assistance was used as intended.”

Despite the importance of such oversight information, DOD regularly provides these reports to Congress several months late; indeed, Congress only recently received the 1997 report – *16 months after the statutory deadline*. According to GAO, the primary reason for these delays was “the relatively low priority that [DOD] officials placed on ensuring the reports’ timely submission.” This explanation calls into question the Department’s commitment to ensuring that the Congress has the information it needs to ensure appropriate oversight of the program.

“GAO’s conclusions deserve the careful attention of Congress,” said Spence, “The House Armed Services Committee may need to consider other ways to ensure that we receive the information needed to perform our oversight role.”

To date, Congress has authorized more than \$3 billion in Cooperative Threat Reduction assistance to the former Soviet states. The National Defense Authorization Act for Fiscal Year 2000 authorized over \$475 million for CTR programs.

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